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February 28, 2003

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APPLICATION

Honorable James H. Welsh
Commissioner of Conservation
P. O. Box 94275
Baton Rouge, LA 70804

Re: 11,100' Zone Reservoir A
Bayou Rambio Field
Terrebonne Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **DENBURY RESOURCES, INC.**, for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating to the **11,100' Zone, Reservoir A**, in the Bayou Rambio Field, Terrebonne Parish, Louisiana:

1. To dissolve the existing 11,100' Sand RA SUA adopted by Office of Conservation Order No. 359-P, and simultaneously therewith, to create a new drilling and production unit for the 11,100' **Zone** Reservoir A, such unit being designated 11100 RA SUA and having exterior boundaries identical to the unit created by Order No. 359-P;
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each separate tract sharing in unit production on a surface acreage basis of participation;

3. To designate Denbury Resources, Inc. as unit operator for the proposed unit;
4. To designate the Denbury Resources, Inc.-H. Bourg Corp. No. 1 Well as the unit well for the proposed unit;
5. To extend to the proposed unit, except to the extent they are in conflict herewith, the pertinent provisions of Office of Conservation Order No. 359-P, effective June 16, 1998, as corrected;
6. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The 11,100' Sand, Reservoir A, in the Bayou Rambio Field, was previously defined in Office of Conservation Order No. 359-P, effective June 16, 1998. The 11,100' Zone, Reservoir A, in the Bayou Rambio Field, is hereby defined as that gas and condensate bearing zone encountered between the depths of 11,010 feet and 11,087 feet, electrical log measurements, in the Denbury - H. Bourg Corp. No. 2 Well, located in Section 6, Township 20 South, Range 17 East, Terrebonne Parish, Louisiana.

The pre-application conference tentatively scheduled for Wednesday, March 12, 2003 **WILL NOT BE HELD**, as it was not requested within the delays provided for by the Rules of Procedure; therefor, no opposition to this Application at the hearing is anticipated.

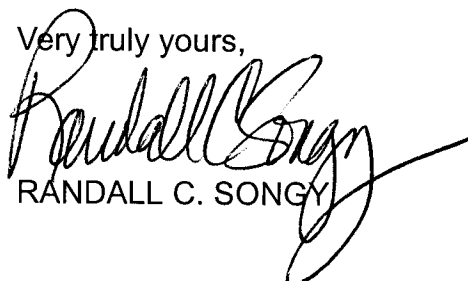
Pertinent data relating to the proposed application can be obtained, AT THE COST OF THE REQUESTING PARTY, by contacting **Holmes Smart, 200 Audubon Blvd., Lafayette, Louisiana 70503, 337-232-4031.**

There is attached hereto and made a part hereof a plat outlining the proposed unit and a list of the names and addresses of the interested parties to whom this unitization proposal is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation. However, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, there is enclosed a check in the amount of \$755.00, made payable to the Louisiana Office of Conservation, in payment of the required hearing application fee.

Honorable James H. Welsh
February 28, 2003
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Very truly yours,



RANDALL C. SONGY

RCS/elg/bad

Enclosures

- cc: Mr. Richard Hudson, District Manager
Office of Conservation
- cc: All Interested Owners, Interested Parties and
Represented Parties

Harry Bourg

R 16 E R 17 E

Harry Bourg/Ayo Hrs.

LYNAL
F. Reardon
1
11,200'

U.P. CO./TEX. GULF PROD. CO.
Buckley-Bourg
2
13,586'
S.T.T.D. 14,465'

W/L

12,471'
2
DENBURY
H. Bourg Corp.

U.P. CO./TEX. GULF PROD. CO.
Fitzpatrick-Vizard Unit
3
13,000'

1

PROPOSED UNIT
11100 RA SUA
H. Bourg Corp. No. 1
± 144 ACRES

5
16,375'

Harry Bourg

Harry Bourg
Ayo Hrs.
U.P. CO./TEX. GULF PROD. CO.
13,000' SU B, Kelly, et al
A-1
14,205'

R. Buckley,
et al

Harry Bourg

U.P. CO./TEX. GULF PROD. CO.
Bourg SU A-Kelly et al
1
16,400'

Kelly, et al

SUPERIOR
Bourg
4
15,527'

T
20
S

SUPERIOR
Bourg
1
O.T.D. 15,881'
N.T.D. 16,030'

2
17,500'

SUPERIOR
Bourg
3
15,917'

Harry Bourg

12

J.P. OWEN
Bourg
1
20,482'

EXHIBIT NO.
DOCKET NO.

Kelly, et al

DENBURY RESOURCES, INC.
DALLAS, TEXAS

BAYOU RAMBIO FIELD
Terrebonne Parish, Louisiana

Proposed Unit
11100' ZONE RA SU A

0' 1000' 2000'

Chas. W. Buckley

Chas. W. Buckley

DATE

FRANK W. HARRISON, JR.
CONSULTING GEOLOGISTS - LAFAYETTE, LOUISIANA